

A PUBLICATION OF THE NEW JERSEY DIVISION OF PENSIONS AND BENEFITS

Your Retirement Checklist

All Funds

When planning for a successful retirement, it is important to give yourself enough time to review your benefits and options. The time frames in this checklist are a guide. Processing time varies and cannot begin until the Division of Pensions and Benefits receives all the necessary information and forms from both you and your employer.

6-8 MONTHS BEFORE RETIREMENT

- ☐ **Complete a Request for Retirement Estimate** form available from the Division of Pensions and Benefits (call the Benefit Information Library at (609) 777-1931 and enter selection #207) or from your employer. You may also call the Division of Pensions and Benefits' Automated Information System at (609) 777-1777 to get an estimate of retirement benefits over the phone. If you provide us with the name and birth date of your beneficiary, we will estimate not only the Maximum Allowance but alternate payment options.

- ☐ **Consider attending a pre-retirement seminar** conducted by the Division of Pensions and Benefits. For information, check with your benefits administrator or training coordinator, or call the Divisions' Benefits Education Office for seminar dates and registration at (609) 777-2111. The mailing address is Division of Pensions and Benefits, Benefits Education Unit, PO Box 295, Trenton, NJ 08625-0295.

4-6 MONTHS BEFORE RETIREMENT

- ☐ **Submit an Application for Retirement Allowance** (available from the Division of Pensions and Benefits or your employer) **to the Division of Pensions and Benefits.** Accuracy and thoroughness are important when completing your *Application for Retirement Allowance*.

- Attach a photocopy of your birth certificate, if one is not on file. For Public Employees' Retirement System (PERS) and Teachers' Pension and Annuity Fund (TPAF) only - if you are choosing options A, B, C, D, 2, 3, or 4, attach proof of your beneficiary's birth date. Your retirement application will not be processed until the Division receives copies of birth date evidence.

- PERS and TPAF only – If applying for a Veteran Retirement, you must qualify as a veteran for pension purposes. If you are not already listed as a veteran on the Division of Pensions and Benefits' records, you must send a photocopy of your military discharge (Form DD 214) to the NJ Department of Military and Veteran Affairs (NJDMAVA), at the following address:

**NJ Department of Military and
Veteran Affairs
ATTN: DVP-VBB
PO Box 340
Trenton, NJ 08625-0340**

Since the NJDMAVA also makes determinations of veteran's preference for Civil Service and property tax appeals, a note should be attached to say that the discharge is being sent for pension purposes. For more information about veteran status and your pension account, see Fact Sheet #17, *Veteran Status*.

- Write "Purchase Pending" on the top of your *Application for Retirement Allowance* if you have applied for a purchase of additional service credit in the past few months.

- ☐ The amount of your **life insurance** coverage through the pension plan decreases at retirement or terminates if you have less than 10 years of service credit. You may **convert** the dollar difference between the group coverage you had before retirement and the

group coverage you will have after retirement to a non-group life insurance policy by applying to a **Prudential Insurance Company agent within 31 days of your termination of employment**. No physical examination is required to prove insurability. The cost of the coverage will be at the standard rate for someone your age. For further information about conversion, you can contact Prudential at 1-800-262-1112. You should contact other insurance carriers and compare the available policies and costs before you decide to purchase the conversion policy.

- ☐ Ask your employer to submit a **Certification of Service and Final Salary** to the Division of Pensions and Benefits.
- ☐ Contact the **NJ State Employees Deferred Compensation Plan** office at (609) 292-3605 or **Supplemental Annuity Collective Trust (SACT)** office at (609) 633-2031 if you participate in those plans.
- ☐ **You will receive a letter** from the Division of Pensions and Benefits acknowledging receipt of your retirement application. Also included are answers to some frequently asked retirement questions.

APPROXIMATELY 3 MONTHS BEFORE RETIREMENT

- ☐ You will receive a letter offering you enrollment in the New Jersey State Health Benefits Program (SHBP) if you are:
 - currently covered by the SHBP.
 - a member of the TPAF with 25 years or more of service credit in the pension fund or retiring on a disability retirement.
 - a PERS or Alternate Benefit Program member retiring from a school board of education or county college with 25 or more years of service credit in the pension fund or retiring on a disability retirement.
 - a Medicare eligible member of the TPAF or the PERS who works for a Board of Education.

- a police officer or firefighter retiring with 25 years or more of service credit in the pension fund or retiring on a disability retirement whose employer does not provide any payment or compensation toward the cost of health benefits for its retirees.

- ☐ If you will not be eligible for post-retirement medical coverage through the SHBP, discuss with your employer any coverage they may provide you.
- ☐ If you are 65 or older, contact the local Social Security Administration office for full Medicare enrollment. You must be covered by both Part A and Part B of Medicare to be eligible to enroll in the SHBP in retirement. You may need to obtain a written statement from your employer certifying that you have been covered under an employer group health plan. The statement should indicate when and why coverage as an active employee will end.

APPROXIMATELY 2 MONTHS BEFORE RETIREMENT

- ☐ **You will receive a Quotation of Retirement Benefits letter** which shows your monthly retirement allowance with:
 - the option you selected; (PERS and TPAF)
 - a quote of any outstanding loan balance with repayment options; and
 - a quote on any outstanding arrears (purchase) balance and/or shortages.

If you retire with an outstanding loan balance, you must decide how you wish to repay your loan balance. You may:

- pay the loan **in its entirety** prior to receiving any benefits; or
- continue your monthly loan repayment schedule into retirement until the loan balance **plus interest** has been repaid.

Any outstanding arrears or shortages must be paid before your retirement check can be issued. Failure to respond to these issues will delay your retirement benefits.

A PUBLICATION OF THE NEW JERSEY DIVISION OF PENSIONS AND BENEFITS

**APPROXIMATELY 1 MONTH
BEFORE RETIREMENT**

- ☐ Your retirement will be presented to the retirement system's Board of Trustees for approval. You will receive a board approval letter and will have 30 days from the board approval date or your effective retirement date (whichever is later) to change your option selection if you wish. If you change your option after board approval, your new selection must again be approved by the board of trustees. This may delay your first check.
- ☐ You may choose to cancel your retirement within 30 days of your retirement date or board approval date (whichever is later). This request must be in writing to the Division of Pensions and Benefits. Canceling your retirement does not guarantee reemployment with your employer.

- ☐ Discuss the possibility of continuing prescription drug, dental, or vision coverage under the provisions of **COBRA with your employer**.

SHORTLY AFTER YOUR RETIREMENT DATE

- ☐ You will receive **forms for withholding** federal and New Jersey State income tax.
- ☐ You will receive a **form** to have your retirement check **deposited directly** to your bank account.
- ☐ Your **first retirement check** will be dated no earlier than the first of the month following your retirement date or 30 days after approval by the retirement system's board of trustees, whichever is later.

This fact sheet has been produced and distributed by:

**New Jersey Division of Pensions and Benefits • PO Box 295 • Trenton, New Jersey 08625-0295
(609) 292-7524 • TDD for the hearing impaired (609) 292-7718**

URL: <http://www.state.nj.us/treasury/pensions> • E-mail: pensions_nj@tre.state.nj.us

This fact sheet is a summary and not intended to provide total information.
Although every attempt at accuracy is made, it cannot be guaranteed.
